

Pell, Charles E. (TAX)

From: Odulio, Mark T. (TAX)
Sent: Wednesday, June 21, 2006 7:05 PM
To: Cimino, Ronald A. (TAX)
Cc: Wszalek, Larry J. (TAX); Ballweg, Mitchell J. (TAX); Friend, Mark R. (TAX)
Subject: FW: Prosecution of Oscar Stilley and Lindsey Springer

Attachments: tmp.htm



tmp.htm (6 KB)

Ron,

Please find attached a formal request from Criminal Chief Doug Horn, N.D.Okla., requesting Tax Division assistance in the investigation and prosecution of the above referenced individuals.

Mark T. Odulio
Trial Attorney
Criminal Enforcement Section
Tax Division, U.S. Department of Justice
Direct: 202-514-8032
Fax: 202-514-9623

-----Original Message-----

From: Horn, Doug (USAOKN)
Sent: Wednesday, June 21, 2006 6:39 PM
To: Odulio, Mark T. (TAX)
Cc: William.Taylor@ci.irs.gov; OMeilia, David E. (USAOKN); Radford, Loretta (USAOKN)
Subject: Prosecution of Oscar Stilley and Lindsey Springer

Mark,

As we discussed on the telephone, the Northern District of Oklahoma (NDOK) has initiated an investigation of Oscar Stilley and Lindsey Springer. At the present time, Springer is a target of the investigation and Stilley is a subject.

Springer is a tax protester that lives in the NDOK. Testimony from cooperating individuals and evidence seized at a search warrant on Springer's residence show that Springer has received almost \$1 million in income that has not been reported to the IRS. In fact, Springer practices what he preaches and does not file federal income tax returns. Springer is not a lawyer and is a convicted felon. Springer has a organization called Bondage Breaker Ministries and he formed in 1992 to eliminate the IRS. Springer does not have any bank accounts and does all his business in money orders. Numerous money orders were discovered at the search warrant.

In each case that we have identified, Springer is involved with Oscar Stilley, a lawyer from Arkansas. Like Springer, Stilley does not file federal tax returns. Stilley has been subject to several disciplinary actions by the Arkansas bar for improper conduct.

The following are examples of the witnesses that we have identified that have had dealings with Stilley and Springer:

1. Eddy Patterson - Former CEO of NESCO, a publicly traded corporation. Patterson was represented in a jury trial in the NDOK on charges of securities fraud and tax evasion by Stilley and Springer. Patterson was convicted, retained a new lawyer and is now cooperating. Patterson is willing to testify that he paid Stilley over \$400,000 with the understanding that \$128,000 was to be paid to Springer. The money was sent to Stilley's attorney trust account and then paid to Springer. IRS agents have verified these transactions through subpoenas of Stilley's trust account. Patterson paid Springer additional funds by check and was asked by Springer to write "donation" on the check when

the payment was clearly for legal representation.

2. Arthur Hawkins - Hawkins was convicted for tax charges originating out of East St. Louis. Hawkins paid Springer \$133,000 and Stilley \$96,000 to work on his appeal. Hawkins is currently incarcerated.

3. James Lake - Lake was represented by Stilley in a criminal trial on a misdemeanor failure to file. Lake paid Stilley \$62,000 and Springer \$30,000.

4. Phillip Roberts - Stilley represented Roberts in a tax case in Little Rock, Arkansas. He paid Stilley \$50,000 and Springer \$90,000 for the representation.

5. Patrick Turner - Turner was involved in the IFC scam in Phoenix, Arizona. Turner was under investigation by IRS-CID in Detroit. Turner was interviewed in Detroit and Springer showed up as a Power-of-Attorney for Turner. The Detroit case has since been declined. Turner "loaned" Springer \$250,000 to buy a motor home and a Lexus. Turner also paid Springer \$50,000 as a donation.

6. Andrew Ouwenga - Ouwenga was charged in the Western District of Michigan on tax charges. He paid Springer \$90,000 and Stilley \$95,000.

We have identified approximately 6 to 10 other individuals that have paid money to Springer and Stilley for legal services.

We have Springer cold on the tax charges in the NDOK. I think that Stilley is also toast on tax charges by the simple venue would be in the Western District of Arkansas. In almost every case, Stilley and Springer are a team. They both profit from the legal representation even though Springer is not a lawyer. Certain consistent themes emerge when interviewing the victims. Stilley and Springer promise that they will not go to jail and they don't lose. They take all the money they can and the client goes to jail.

The NDOK is a small district with very limited resources. We are two lawyers down and a third lawyer just had a relapse in her cancer and will be undergoing chemo. Even if we were full staffed, I am not sure that we would have the resources and expertise to handle such a wide ranging conspiracy that I believe that Stilley and Springer have perpetrated. You will not find two more worthy candidates for prosecution.

Therefore, I am requesting that the Tax Division provide assistance in the investigation and prosecution of Oscar Stilley and Lindsey Springer. I am requesting an experienced trial attorney, that can be lead counsel, be assigned to the case. An AUSA from the NDOK would work closely with the tax attorney in all cases that are prosecuted in the NDOK.

Thanks for considering my request and please let me know if you need any additional information. Tulsa is a great place to do a trial.